VZCZCXRO1033 OO RUEHCN DE RUEHIN #0139/01 0130918 ZNY CCCCC ZZH O 130918Z JAN 06 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 8005 INFO RUEHBJ/AMEMBASSY BEIJING 4515 RUEHUL/AMEMBASSY SEOUL 7520 RUEHKO/AMEMBASSY TOKYO 7320 RUEHCN/AMCONSUL CHENGDU 0963 RUEHGZ/AMCONSUL GUANGZHOU 8862 RUEHHK/AMCONSUL HONG KONG 5712 RUESLE/AMCONSUL SHANGHAI 8263 RUEHSH/AMCONSUL SHENYANG 4878 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI RHHJJAA/JICPAC HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000139

SIPDIS

SIPDIS

E.O. 12958: DECL: 01/12/2026

TAGS: PGOV TW

SUBJECT: DPP PARTY CHAIRMAN ELECTION SCENESETTER

REF: TAIPEI 53

Classified By: AIT Director Douglas Paal, Reasons: 1.4 (b/d)

- (C) Summary: Democratic Progressive Party (DPP) members elect a new party chairman on Sunday, January leading candidates are former Presidential Office Secretary General Yu Shyi-kun, a cautious moderate close to President Chen, and Legislator Trong Chai (Tsai Tong-rong), an independence fundamentalist close to Vice President Lu. AIT's contacts and public opinion polls give Yu the advantage in the election, but a third candidate, former Changhua County Magistrate Wong Chin-chu, who joined the race at the last moment at the behest of retired DPP Chairman Lin I-hsiung, could play the role of spoiler by taking votes away from Yu, which will help Chai. The election is attracting limited interest because there is no indication the new chairman will be able to do much to influence policies decided by President Chen, though a loss by Yu would be perceived as another setback for President Chen on the heels of the DPP's disastrous defeat in the December 3 local elections. End Summary.
- 12. (C) DPP party members will vote Sunday January 15 to elect a new party chairman, filling the vacancy created by the departure of Su Tseng-chang, who resigned to take responsibility for the DPP's defeat in the December 3 local elections. All 234,874 DPP members in good standing, i.e., those who are up to date in paying party dues, are eligible to vote in the election for party chairman. The geographic distribution of potential voters is uneven, with by far the largest number of potential voters 44,941 in Taipei County, and another 18,755 in Taipei City, which gives DPP members in northern Taiwan particular weight and may make it easier for the party's factions to mobilize voters. Based on past elections, AIT's contacts and local observers are predicting a relatively low voter turnout, perhaps between thirty and forty percent.
- 13. (C) There are three candidates in the race: former Presidential Office Secretary General Yu Shyi-kun, Legislator Trong Chai (Tsai Tong-jung), and former Changhua County Magistrate Wong Chin-chu (Weng Chin-chu). Yu, 57, a cautious moderate with extensive government and party experience, including serving as the DPP Secretary General from 1998-99 and as premier from 2002-2005, is close to President Chen and by all indications his favored candidate. Chai, an

independence fundamentalist, is close to Vice President Lu Hsiu-lien, who has made clear that she supports him. Though at 70 considerably older than the other two candidates, Chai has taken pains to demonstrate his physical fitness by showing his muscles and doing push-ups for the television cameras. While living in the U.S. Chai was the founder of the World United Formosans for Independence (WUFI) and the Formosan Association for Public Affairs (FAPA). Wong, 58, lost her bid for reelection as Changhua County Magistrate on December 3. She was persuaded at the last moment to enter the chairman race by retired DPP elder Lin I-hsiung, who has been strongly critical of the Chen Shui-bian administration, including Yu Shyi-kun.

- 14. (C) Because Wong does not have major support from DPP factions, our contacts and other political observers here are counting her out of the race despite the endorsement of Lin I-hsiung. Wong is still a factor, however, because she will take votes away from Yu, increasing Chai's chances of winning. The consensus view of our contacts is that Yu has the advantage in the election but Chai might win if there is sufficient voter mobilization by factions that support him.
- 15. (C) The DPP chairman election is less about issues or the candidates themselves than about power, as influential political figures maneuver for position in the 2008 presidential election. The DPP's organized factions are playing an important role in this process. Most members of the reformist New Tide and of the Justice Alliance, which is associated with President Chen, support Yu because they believe that will help Su Tseng-chang, who is the front-runner and their preferred candidate to run for president in 2008. Some members of the New Tide support

TAIPEI 00000139 002 OF 003

Wong, who was a New Tide member herself until leaving the faction to run for party chairman. The Welfare State Alliance, which is associated with Premier Frank Hsieh (Chang-ting), is the only faction to formally endorse a candidate. They are supporting their own faction member Trong Chai to block Yu and Su in hopes that this will help Hsieh become the DPP presidential candidate. AIT's contacts say that the Green Friendship Alliance, a faction which controls many votes in Taipei and Kaohsiung, might mobilize voters to support Chai, which could affect the outcome of the election.

- 16. (C) The DPP chairman election is attracting limited public interest. One reason is that the chairman position does not convey much power or influence when a party is in power and especially when it has a strong-minded president such as Chen Shui-bian who seeks to concentrate all power in his own hands. In addition, the three candidates are from an older generation with roots in the past rather than a vision for the future. The election campaign has provided none of the excitement that might have been generated by an energetic candidate with a reform agenda. Tuan I-kang, former convenor of the New Tide, told AIT that he advised fellow reformer Luo Wen-jia to run for chairman but then withdrew his advice. Tuan explained he changed his mind when he realized that being chairman would hurt rather than help Luo's political career because Luo would encounter friction with President Chen over reform and be unable to accomplish anything because of the limited power of the position.
- ¶7. (C) The three candidates have participated in two two-hour televised debates, one each in Taipei and Kaohsiung. Live audiences at the debates were very small, in the low hundreds at most, and consisted mostly of older men, some of whom were bussed in for the occasion. None of the candidates stood out in the debates, and their performances were lackluster. All agreed on the importance of integrity. Yu stressed plans to institute a mechanism for party-government collective decisionmaking, which Wong criticized as impractical and likely to further empower Chen Shui-bian's "one-man show." Chai repeated his previous challenge to Yu

to rule out running for president in 2008, and Yu again refused to do so. Chai stressed plans to develop party diplomacy focusing on the U.S., and has called for the elimination of the party's factions. All three candidates gave the same answer when asked whom they most admired among the elder DPP leaders: Lin I-hsiung. The answer from Yu sounded especially unconvincing, given Lin's strong attack on Yu.

18. (C) The candidates have all taken firm stands on basic DPP causes such as promoting a new constitution and defeating Ma Ying-jeou in 2008 to prevent the KMT from "giving" Taiwan to China. Chai included establishing the "Republic of Taiwan" as one of his objectives. All three candidates sounded more fundamentalist than moderate on key issues such as cross-Strait relations or Taiwan independence. DPP Legislator Tsai Ing-wen explained to AIT that candidates in intra-DPP elections believe they have to sound greener than they really are to retain voter support.

## ${\tt Implications}$

19. (C) If Yu wins, he is expected to act cautiously, support President Chen, and try to unify and stabilize a party in which disgruntlement has become widespread since the disastrous December 3 defeat in local elections. While such an approach may help the party get through its current difficulties, it is not clear how it will help the DPP do better in upcoming elections, culminating in the 2008 presidential election. It is possible, of course, that the new chairman will appoint reformers and institute changes aimed at making the party more competitive, but that does not appear likely. Chai or Wong, if elected, may be divisive rather than unifying forces. In the debates, Wong has criticized President Chen. DPP Legislator Bi-khim Hsiao expressed concern to AIT that Chai, if elected, will try to move the party in the fundamentalist direction with unhelpful initiatives on issues such as a constitutional referendum and

TAIPEI 00000139 003 OF 003

name rectification (from China to Taiwan), and others have suggested this would trigger a debate within the party on its future course.

## Comment

-----

110. (C) The January 15 election for party chairman will inevitably be interpreted by some as a referendum on President Chen by the members of his own party. A victory by Yu will be a victory for the president and provide Chen an avenue to keep the party in line, staving off what he reportedly fears most - becoming a lame duck. If Yu is defeated, it will also be a defeat for Chen even though the president has not weighed in publicly on this election. A victory by Wong would be the most damaging to Chen because she has focused her message on criticizing the president and drawing a clear line between party and government. Regardless of who wins, the brief campaign has been dominated by appeals to deep green fundamentalists and calls for renewed attention to Taiwan identity and even Taiwan independence. None of this will help Chen or the DPP appeal to moderate voters or to improve cross-Strait relations.

PAAL